

November 22, 2019

U.S. Environmental Protection Agency  
EPA Docket Center, Office of Air and Radiation Docket  
Mail Code 28221T,  
1200 Pennsylvania Avenue NW  
Washington, DC 20460

Dear Administrator Andrew Wheeler,

On behalf of Illinois' more than 75,000 farmers, I want to thank the Environmental Protection Agency for opening the Supplemental Notice on Proposed Volumes for 2020 and Biomass-Based Diesel Volume for 2021 to public input. The agency's unprecedented number of retroactive small refinery exemptions over the past several years are destroying demand for renewable fuels and undercutting the market for Illinois' agricultural products.

When demand for Illinois' agricultural products is cut, it ripples through the state's entire economy. Illinois' agricultural commodities generate more than \$19 billion annually for the state. Marketing of corn contributes 54 percent of that total, and soybeans contribute 27 percent. Illinois has 14 ethanol plants and 8 biodiesel plants that provide a market for corn and surplus soybean oil, contribute billions to the state's economy, and employ thousands of Illinois' citizens.

EPA can prevent future losses of biofuel demand and agricultural crop value by including the best estimate of future exempted volumes in its formula for setting the annual RFS standards. The most reliable estimate would employ an average of the actual gallons waived by EPA during the three most recent compliance years.

EPA has proposed to adjust the annual standards only for the average number of small refinery exemptions recommended by the Department of Energy over the past three years. Yet, EPA granted significantly more exemptions than DOE recommended over the past three years, as the text of the proposed rule shows. If the agency continues to grant more exemptions than DOE recommends, the agency will continue to destroy demand for renewable fuels.

EPA says it will grant fewer exemptions going forward. But the proposal contains no assurances that the agency will do that. EPA properly notes that it retains the authority to grant exemptions based on its own independent analysis. Therefore, an average of the past three years is the most reliable predictor of future small refinery exemptions and the best protection against demand destruction.

Illinois' farmers and everyone connected to the state's agricultural economy are counting on EPA to follow through on the promise to ensure markets for ethanol and biodiesel by accounting for small refinery exemptions. It is imperative that EPA use the best estimate for 2020 and going forward.

Sincerely,

A handwritten signature in blue ink, appearing to read "John M. Sullivan". The signature is fluid and cursive, with a large initial "J" and "S".

John M. Sullivan, Director  
Illinois Department of Agriculture